

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 711 – HB 854

April 22, 2015

SUMMARY OF ORIGINAL BILL: Establishes a Veterans Treatment Court Program (VTCP) and a VTCP Resources Fund to be administered by the Department of Mental Health and Substance Abuse Services (DMHSAS). Requires all VTCPs to be established and operated according to specified key components as adopted by the National Clearinghouse for Veterans Treatment Courts at the National Association of Drug Court Professionals. Revises the disposition of fines pursuant to Tenn. Code Ann. § 55-10-412 to include proceeds from the dedicated portion of the fines for the conviction of any other controlled substance arrest in addition to the fines for driving under the influence (DUI) of an intoxicant to be used by the county for the creation and maintenance of VTCP or Drug Court Treatment Programs (DCTP), or both. In the event no VTCP and no DCTP operates in a county, the proceeds from that county shall be remitted annually to the State to be placed in either the VTCP fund or the DCTP fund.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – The fiscal impact of the proposed legislation cannot be determined due to various unknown factors. Current programs funded pursuant to Tenn. Code Ann. § 55-10-412 will see a reduction in the amount of money that is available as these funds would now be remitted to the state for the purpose of creating and maintaining Veterans Treatment Court Programs or Drug Court Treatment Programs rather than remaining in the county.

SUMMARY OF AMENDMENTS (006093, 006968): Deletes all language after the enacting clause. Requires all VTCPs to be established and operated according to specified key components as adopted by the National Clearinghouse for Veterans Treatment Courts at the National Association of Drug Court Professionals. Requires the Department of Mental Health and Substance Abuse Services (DMHSAS) to administer VTCPs by (1) defining, developing, and gathering outcome measures for VTCPs; (2) collecting, reporting, and disseminating VCTP data; (3) supporting a state veterans treatment mentor program; (4) sponsoring and coordinating state VTCP training; (5) awarding, administering, and evaluating state VTCP grants; (6) developing standards of operations for VATCPs; and establishing three veterans treatment court advisory committee member positions on the Drug Court Advisory Committee established by Tenn. Code Ann. § 16-22-108. Authorizes a court exercising criminal jurisdiction within Tennessee or a VTCP to apply for VTCP grant funds to fund (1) a full or part time program director position; (2) VTCP staff whose job duties are directly related to program operations; (3) substance abuse treatment, mental health treatment, and other direct services for VTCP participants; (4) drug testing; (5) program costs directly related to program operations; and (6) implement or continue VTCP operations.

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Prohibits DMHSAS VTCP grant awards from being used to pay for costs not directly related to VTCP operations; made to any court that does not agree to operate its VTCP in accordance with the principles set out in this chapter; used for construction or land acquisition; used to pay bonuses or commissions to any individuals or organizations; or used to form a corporation.

In counties establishing or operating a VTCP in accordance with the specified key components as adopted by the National Clearinghouse for Veterans Treatment Courts at the National Association of Drug Court Professionals, increases, from \$75 to \$130, the fee that is assessed in all courts against persons who enter a guilty plea, a plea of nolo contendere, are adjudicated at trial, enter a plea pursuant to a diversionary sentencing statute, or is found in violation of the terms of a suspended sentence. Requires the first \$10 of each such assessment to be used by the Department of Mental Health and Substance Abuse Services (DMHSAS) to fund the DCTP and VTCP administration. Requires \$70 of each such assessment to be used by the county for the creation and maintenance of state DCTPs. In the event no DCTP operates in a county, the proceeds from that county shall be remitted annually to the State to be placed in the DCTP Resources Fund. Requires the remaining \$50 to be used by the county exclusively for the operation and maintenance of VTCPs. In the event no VTCP operates in a county, the remainder of the funds from that county shall be remitted annually to the State to be placed in a separate account for the exclusive use of the DMHSAS to assist existing VTCPs and to create and establish VTCPs in areas of Tennessee that have a significant veteran population involved in the criminal justice system.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Other Fiscal Impact – Due to a number of unknown factors, including the number of counties that will choose to establish a veterans court treatment program; the amount of assessments that are currently being collected within such counties; the number of counties that will be able to establish a veterans court program in order to receive the additional funds collected as a result of the proposed amendment; and the number of counties that have a significant population of veterans in the criminal justice system, the exact fiscal impact cannot be reasonably determined. There will be an increase in revenue and corresponding increase in expenditures through the DMHSAS’s drug court program. There will also be permissive increase in revenue and expenditures to local governments. These amounts cannot be determined.

Assumptions for the bill as amended:

- Currently, a \$75 fee is assessed in all courts against persons who enter a guilty plea, a plea of nolo contendere, are adjudicated at trial, enter a plea pursuant to a diversionary sentencing statute, or is found in violation of the terms of a suspended sentence.
- The provisions of the bill as amended only increase the assessment from \$75 to \$130 in counties that choose to establish or operate a veterans treatment court program. In the counties that choose to operate a veterans treatment court program, the first \$10 will be paid to the clerks of the court imposing the assessment.

- Seventy dollars (\$70) will be deposited by the clerk of the collecting court into a dedicated county fund and used by the county exclusively for the creation and maintenance of state drug court treatment programs.
- The remaining \$50 of each assessment shall be deposited by the clerk of the collecting court into a dedicated county fund and used by the county exclusively for the operation and maintenance of veterans treatment court programs in the county. If no veterans treatment court program operates in a county, the remainder of the funds from that county shall be remitted annually in full to the state, deposited in a separate account in the general fund, and designated for the exclusive use of the Department of Mental Health and Substance Abuse Services (DMHSAS) to assist existing veterans treatment court programs and to create and establish veterans treatment court programs in areas of this state that have a significant veteran population involved in the criminal justice system.
- It is unknown how many counties will choose to establish a veterans court treatment program or the average number of assessments within such counties; therefore, an exact fiscal impact cannot be reasonably determined. DMHSAS will incur an increase in five dollars (\$5) per assessment in any county that chooses to establish a veterans court treatment program.
- Based on the language of the proposed Tenn. Code Ann. §16-22-109 (e)(4), DMHSAS will realize an increase in \$50 per assessment in any county that chooses to establish a veterans court treatment program.
- Based on the language of the proposed Tenn. Code Ann. §16-22-109 (e)(4), DMHSAS can spend the money on establishing veteran court treatment programs in counties that have a significant population of veterans in the criminal justice system; therefore, until a county has the treatment program established or can show a significant number of veterans in the criminal justice treatment program, the county will not receive the increase in revenue.
- Due to a number of unknown factors, including the number of counties that will choose to establish a veterans court treatment program; the amount of assessments that are currently being collected within such counties; the number of counties that will be able to establish a veterans court program in order to receive the additional funds collected as a result of the proposed amendment; and the number of counties that have a significant population of veterans in the criminal justice system, the exact fiscal impact cannot be reasonably determined. There will be an increase in revenue and corresponding increase in expenditures through the DMHSAS's drug court program. There will also be permissive increase in revenue and expenditures to local governments. These amounts are unknown.
- The administration and funding of DCTPs was transitioned from the Department of Finance and Administration (F&A), Office of Criminal Justice Programs, to the DMHSAS effective July 1, 2012, therefore the proposed bill would not have a significant impact to F&A.
- According to DMHSAS, the requirements to effectively oversee veterans' treatment courts throughout the state and to develop outcome measures and collect and analyze data will require an additional position. The Department will fund 60 percent of the position from a forthcoming grant. The estimate assumes the Department will use the

additional revenues collected to fund the remaining 40 percent of the position. Based on the unknowns of how many veterans court treatment programs will be established, the fiscal impact related to administrative costs cannot be determined.

- The impact on audit requirements for the Comptroller's Office, Division of State Audit, is minimal and will not result in a significant fiscal impact.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, appearing to read "Jeffrey L. Spalding". The signature is fluid and cursive, with the first name "Jeffrey" and last name "Spalding" clearly distinguishable.

Jeffrey L. Spalding, Executive Director

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